EXCISE

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY Bchmelz DATE 4/10/87
DEPARTMENT OF STATE
RDS☐or XDS☐EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED☐ RELEASABLE☐
RELEASE DENIED☑ in part
PA or FOI EXEMPTIONS b-2

578

MAY 8 1981

Dear Mr. Schumer:

The Secretary has asked me to reply to your letter of March 26 to the President in which you and other members of Congress express your concerns regarding our proposal to provide air defense enhancement items to Saudi Arabia. I am sending copies of this letter to the other signatories of your letter.

The U.S./Saudi relationship is characterized by a convergence of interests in many areas although there are also areas where we differ. We believe that the relationship is critically important and mutually beneficial to both states. You have raised several issues concerning U.S./Saudi relations apart from our arms supply cooperation. I would like to address these specific issues.

Oil Prices. It is true that world oil prices have increased significantly over the last several years. However, within OPEC councils, Saudi Arabia has been the key proponent of price moderation. For extended periods -- as at present -- it has priced its crude well below the general OPEC level. Moreover, over recent years Saudi Arabia has consistently maintained higher oil production than necessary to meet its domestic income requirements. Most recently, in response to supply disruption resulting from the Iraq/Iran war, Saudi Arabia increased its production level to 10 million bpd. While Saudi Arabia obviously considers these production and pricing policies to be consistent with its broad national interest, they have significantly benefited the U.S. and the non-communist world generally.

Camp David. Saudi Arabia supported U.S. Middle East peace efforts through the Camp David summit. Although Saudi Arabia has not supported the specific process agreed at Camp David, it has consistently reiterated its support for a just and comprehensive Middle East peace settlement. In the Saudi view, the Camp David agreements are inadequate for a comprehensive settlement because they do not deal sufficiently with the Palestinian question and the status of Jerusalem. We will continue to seek to bring the Saudis into a more constructive posture in the peace process. In this regard, it is important to sustain their

578

The Honorable
Charles E. Schumer,
House of Representatives.

confidence in other aspects of U.S. policy, including our willingness to support their security.

PLO. Saudi Arabia, in common with all of the Arab states, recognizes the PLO as the sole representative of the Palestinian people. Saudi Arabia through the years has used its influence with the Palestinians to strengthen the hand of the more moderate elements. It supports those elements within the PLO who favor political rather than a radical solution to the Palestinian problem. Saudi Arabia has explicitly condemned terrorism. The Saudis persistently have argued that the Palestinians should reject the use of international terrorism as a policy instrument and should seek their objective through political means, including negotiations.

Islamic Conference, Taif. The call for Jihad at the Islamic Conference in Taif reflects Saudi frustration with the lack of progress on the autonomy talks and the Saudi belief that Israeli settlements in the West Bank and Israeli annexation of East Jerusalem are a barrier to a lasting and comprehensive peace. Although Jihad can be literally translated as "holy war", the term took on a more general meaning in the 19th and 20th centuries to rally support for national struggles. In the Saudi context, Jihad is a way to dramatize the continuing view of the Arab world that Israel should withdraw from the occupied territories, including East Jerusalem.

Military Bases. U.S./Saudi military cooperation is a fundamental aspect of our effort to improve regional security in the Middle East and to strengthen the U.S. ability to defend its vital interests in that area. A first step in increasing security in the region is to provide the countries with the necessary means of defending themselves. We anticipate increased security cooperation with Saudi Arabia to protect our mutual interests in the region. We believe that the provision of the air defense enhancement items will improve the prospects for closer U.S./Saudi security cooperation.

Regional Influence. In addition to the points discussed above, we believe it is important to recognize the vital role the Saudis have played in countering the spread of Soviet influence in the Middle East. The Saudis lead the Islamic world in condemning the Soviet invasion of Afghanistan. They encouraged the forces that led to the expulsion of the Soviets from Egypt, Sudan and Somalia. The Saudis are working with us to support the economic and defense needs

of North Yemen as an alternative to its reliance on Soviet arms and aid. Moreover, the Saudis devote a high percentage of their GNP to foreign assistance. Saudi assistance has been particularly important to Morocco, the Sudan and Jordan, countries where the U.S. has an interest in supporting moderate elements. In the coming months, we anticipate the Saudis will be providing greater assistance to other key nations, such as Pakistan.

Continued U.S./Saudi cooperation is very much in the U.S. national interest. The relationship is mutually beneficial and we would not agree that there is a need for "concessions" by either side. In those areas where we and the Saudis are not in complete agreement, we intend to continue to make every effort to promote our national interests.

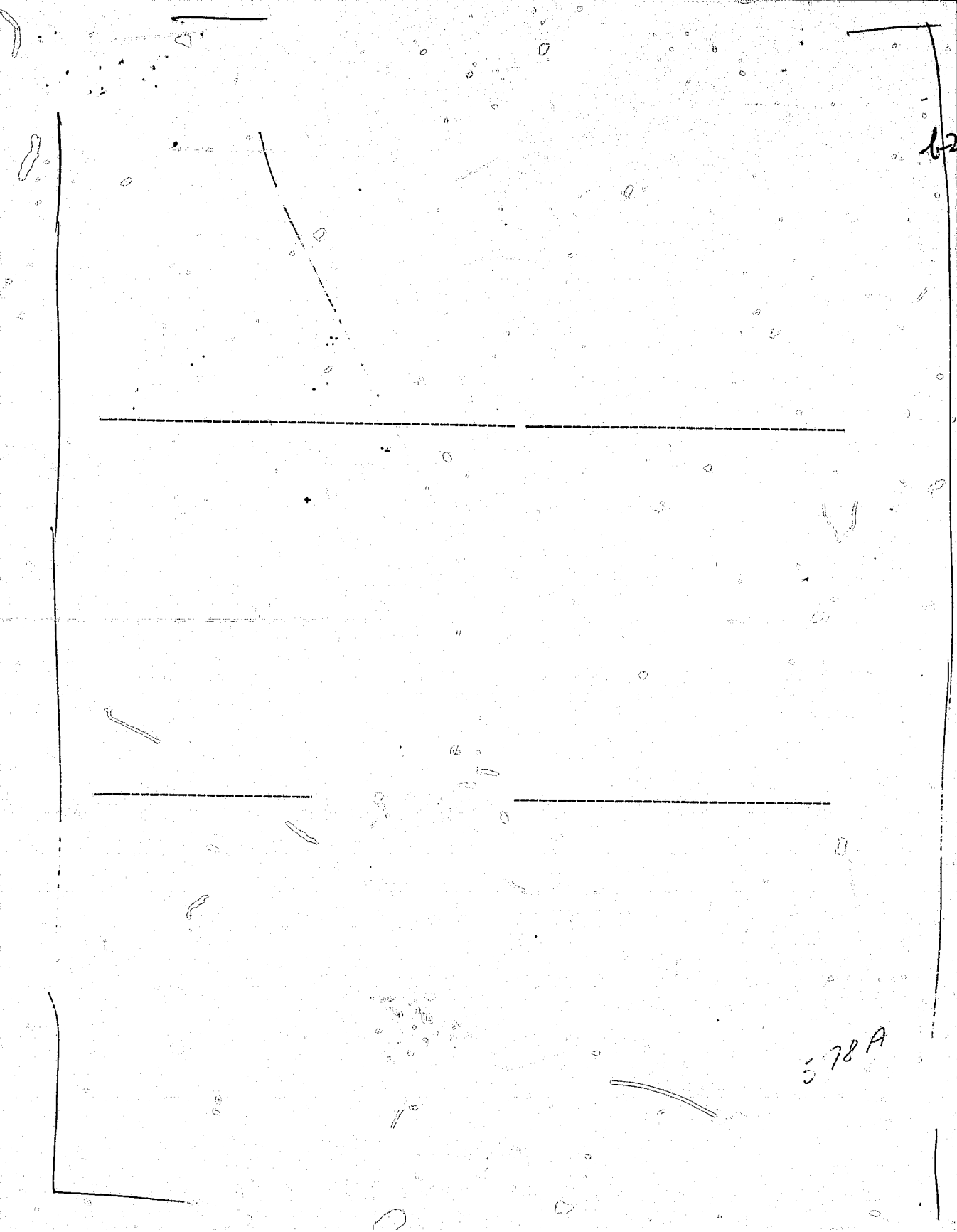
Finally, I wish to emphasize that this Administration is committed to the security of Israel. Our political and security relationship with Saudi Arabia is not inconsistent with this commitment. Indeed, by strengthening deterrence against a possible attack on Saudi Arabia, and by strengthening our ties to the Saudis, we increase regional stability -- a goal which we all share.

Yours sincerely,

Richard Fairbanks
Assistant Secretary
for Congressional Relations

Drafted: NEA/ARP:MRArietti
5/5/81:x23121

Clearances: NEA/ARP:HPrecht
NEA:JWTwinam
PM:AKanter
ACDA:RWaters
H:MGrossman
NEA/IAI:JScott
T:RAherne



8112418

April 10, 1981

Dear Mr. Schumer:

This is to acknowledge your recent letter to the President, cosigned by your colleagues in the Freshman Class of Congress, regarding the sale to Saudi Arabia of additional equipment for their F-15 fighter planes. In your letter, you urge the Administration to take a close look at Saudi actions toward the United States since the 1978 weapons sale.

You can be assured that your views on this matter are greatly appreciated and that your serious concerns have been brought to the attention of the President's foreign policy advisers for further response. We recognize the importance of maintaining close contact with the Congress in these efforts to strengthen U.S. security in the Middle East and Persian Gulf, and we look forward to working with you as the various proposals are carefully considered and reviewed.

Thank you for writing and sharing with us your assessment of this issue.

With cordial regard, I am

Sincerely,

Max L. Friedersdorf
Assistant to the President

The Honorable Charles E. Schumer
House of Representatives
Washington, D.C. 20515
MLF/CMP/pt—v

cc: w/incoming, Janet Colson (NSC) - for further action and DIRECT response by State. (Please send copy of response to Charlie Ponticelli, Legislative Affairs.)

5780

Congress of the United States

House of Representatives

Washington, D.C. 20515

March 26, 1981 016517

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We are writing as members of the Freshman Class of Congress to express our serious concerns regarding the sale to Saudi Arabia of sophisticated offensive weaponry for the F15 fighter planes. When the Carter administration proposed the original F15 sale in 1978, it convinced a reluctant Congress that the United States would benefit through forthcoming Saudi concessions in areas vital to U.S. security and interest. In reviewing your decision to sell air-to-air missiles, extra fuel tanks, and aerial surveillance aircraft to the Saudi Arabian government, we ask that you take a close look at Saudi actions toward the United States since the 1978 weapons sale:

Oil Prices: True Saudi willingness to cooperate with the United States is most accurately reflected in Saudi oil policy. However, instead of supporting oil price moderation, Saudi Arabia instigated the rapid escalation of OPEC oil prices after the Iranian revolution, and has continued threats to reduce oil production--a dangerous charge from a nation that exports 25 percent of the world's oil supply. The Saudi Arabians also threatened the Carter Administration with oil cutbacks if the President complied with a Congressional mandate to resume filling the strategic petroleum reserve, a stance of unwarranted interference with American policy. While Saudi Arabia moderated its oil prices to a minor degree after the 1978 F15 sale, international analysts believe it did so more to assert its own independence within OPEC, rather than to aid the American oil consumer. (1) (2)

Camp David: When President Carter proposed the 1978 arms sale to the Senate, he wrote in a letter that the sale of the planes to Saudi Arabia "would cement their ties to the United States and advance the cause of moderation in the area. . ." However, instead of supporting the first peace agreement to be reached between Israel and Egypt, the Saudis opposed the peace-making efforts of the United States by leading the Arab League in condemning the treaty and organizing an economic and political boycott of Egypt. In May, 1979, President Sadat fiercely attacked the Saudi Arabian rulers for their continued efforts to sabotage the peace treaty, charging the Saudi government with paying several Arab governments to break off diplomatic relations with Egypt. (1)

PLO: The Saudi Arabians have redoubled their support of the PLO since the signing of the Camp David agreement. Currently, they provide major financial (1)

5/78 C

assistance to the PLO and support its terrorist activities against Israel.

Islamic Conference, Taif: As recently as January of 1981, Saudi Arabia led the Moslem states at the Islamic Conference at Taif in calling for a "jihad" or Holy War against Israel. At the same conference, Saudi Arabia severely pressured Turkey to sever its relations with Israel. In a revealing moment, Crown Prince Fahd himself participated in an Islamic prayer for the aid of Allah in "cleansing Jerusalem of the Jews." (1) (2) (3)

Military Bases: In statements made by the White House and Pentagon officials after the 1978 arms sale, they indicated that the "ultimate objective" of the sale was to persuade the Saudi government to give United States forces access to military bases in Saudi Arabia. Despite increasing U.S. concern over the role of the Soviets in the Persian gulf region, the Saudis consistently and adamantly refuse to satisfy this condition. (1)

In view of such a past, we believe that further arms sales, without concessions by the Saudis, is not a step toward improved U.S.-Saudi relations but is instead a demonstration of Saudi ability to obtain what it wants from our country without regard for U.S. benefit. At the very least, we believe that the Administration should defend its integrity and the integrity of the United States itself by holding the Saudis to its share of the 1978 bargain. The United States has a right to insist, in its own national interest, that Saudi Arabia assume an anti-Soviet leadership role in the Middle East, drop its threats to reduce oil production, support the Camp David agreement, abandon its hostility toward Egypt, cease aiding the PLO, and curb its call for a "jihad" against Israel. Conceding to aggression and militance, rather than moderation, endangers U.S. interests, Israeli interests, and the pursuit of world peace.

Sincerely,

Mr. Charles Schumer
CHARLES E. SCHUMER
Member of Congress

Mr. Guy V. Molinari
GUY V. MOLINARI
Member of Congress

Mr. Barney Frank
BARNEY FRANK
Member of Congress

Mr. John LeBoutillier
JOHN LEBOUTILLIER
Member of Congress

Mr. Lawrence DeNardis
LAWRENCE J. DENARDIS
Member of Congress

Mr. William J. Coyne
WILLIAM J. COYNE
Member of Congress

Marge

MARGE ROUKEMA
Member of Congress

Mr.

BERNARD J. DWYER
Member of Congress

Mr. Thomas M. Foglietta

THOMAS M. FOGLIETTA
Member of Congress

Mr. Dennis M. Hertel

DENNIS M. HERTEL
Member of Congress

Mr. Tom Lantos

TOM LANTOS
Member of Congress

Mr. Ron Wyden

RON WYDEN
Member of Congress

Mr.

DENNIS E. ECKART
Member of Congress